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THOMAS L. GARTHWAITE, M.D.
Director and Chief Medical Officer

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Chief Operating Officer

COUNTY OF LOS ANGELES
DEPARTMENT OF HEALTH SERVICES
313 N. Figueroa, Los Angeles, CA 90012
(213) 240-8101

November 18, 2004

The Honorable Board of Supervisors
County of Los Angeles
383 Kenneth Hahn Hall of Administration
500 West Temple Street
Los Angeles, CA 90012

Dear Supervisors:

APPLICATION FOR NEW FEDERALLY QUALIFIED HEALTH CENTER DESIGNATION
(All Districts) (3 Votes)

IT IS RECOMMENDED THAT YOUR BOARD:

Approve and delegate authority to the Director of Health Services, or his designee, to submit one or more applications, similar to Exhibit I, to the Health Resources and Services Administration's (HRSA) Bureau of Primary Health Care for Federally Qualified Health Center (FQHC) designation for one or more County operated freestanding ambulatory care sites, and to execute any other documents for the federal and state governments necessary to obtain the benefit of such designation from Medicare or Medi-Cal.

PURPOSE/JUSTIFICATION OF THE RECOMMENDED ACTION:

FQHCs, which are either Public Health Service grantees or "Look-Alike" entities, receive higher levels of payment under Medi-Cal and Medicare than other facilities providing similar services. In approving this recommended action, you are delegating authority to the Director of the Department of Health Services (Department or DHS), or his designee, to submit one or more applications, similar to Exhibit I, to HRSA for FQHC Look-Alike designation for one or more of the County's freestanding ambulatory care sites. You would be further delegating authority to the Director or his designee, to execute any of the documents which are necessary to obtain the benefits of such designation from Medicare or Medi-Cal, since such documents may be separate and distinct from the initial application.

FISCAL IMPACT/FINANCING:

Obtaining FQHC Look-Alike status is an important and necessary step toward replacing some of the current Cost Based Reimbursement Clinic (CBRC) revenue that will be lost when the Medicaid Demonstration Project, 1115 Waiver, sunsets on June 30, 2005. Current estimates indicate a loss of $62.5 million annually in CBRC revenue. Approval by HRSA of the initial FQHC Look-Alike application, which will cover three Comprehensive Health Centers (CHCs) will generate an estimated $17 million annually in revenue. Upon approval of the intended expansion of FQHC designation to all of the County's freestanding outpatient facilities (the Multi-Service Ambulatory Care Center, six CHCs and eight Health Centers), the Department projects a total of $25 million in revenue annually.

However, it is important to note that FQHC Look-Alike designation is not available to the County's hospital outpatient departments, where the majority of CBRC revenues are derived. Accordingly, much of the revenue lost when CBRC sunsets cannot be recovered.

In addition, there is net County cost associated with staffing and supporting the co-applicant board.

FACTS AND PROVISIONS/LEGAL REQUIREMENTS:

The County's Medicaid Demonstration project, 1115 Waiver, mandates that the Department seek FQHC status for each of its ambulatory care facilities as a strategy for maximizing Medi-Cal reimbursement during and after the 1115 Waiver. In April 2003, DHS submitted a Section 330(i) public housing primary care grant application, which encompassed the County's entire outpatient health system. This application was rejected in July 2003. DHS and its consultants then met with HRSA representatives regarding alternative strategies. HRSA encouraged DHS to submit an application for FQHC Look-Alike status for a limited number of its non-hospital outpatient facilities, indicating that a scaled-down application had a greater likelihood of being approved, and that once approved, the scope could be expanded later to include all remaining non-hospital outpatient facilities.

In March 2004, DHS submitted a Letter of Interest to HRSA expressing DHS' interest in seeking FQHC Look-Alike status for three CHCs. On August 19, 2004, HRSA responded, suggesting some slight modifications to the proposal. In accordance with HRSA's recommendation, DHS has prepared the attached FQHC Look-Alike application for H. Claude Hudson CHC, Hubert H. Humphrey CHC, and Edward R. Roybal CHC, which are located in some of the most medically needy areas of the County. With Federal approval of this application, the three CHCs will constitute a single FQHC Look-Alike entity.

The application, attached here as Exhibit I, addresses the following required elements: 1) Need and Community Impact, 2) Health Services Provided, 3) Management and Finance Structure, and 4) Governance. Compliance with elements 1 through 3 are comprehensively demonstrated

using existing geographic, demographic, service, and economic/fiscal data. However, the Governance element requires modifications to the current DHS structure, as described below.

Governance
DHS' health system, like many publicly-operated health systems, does not currently meet the FQHC governance requirements because the governing body of an FQHC must have particular types of members. To fulfill the governance requirement, other public health systems such as Seattle, Chicago, and Santa Clara County have established "co-applicant boards". These entities have received Federal approval using this approach, and the Department has incorporated a similar structure in this application. The Department's strategy to meet the FQHC Look-Alike governance requirements is as follows:

> By ordinance, the Board of Supervisors will establish a Community Health Center Board (CHCB) to function as a co-applicant board that will work in collaboration with your Board to provide governance for the FQHC Look-Alike entity.
>
> The CHCB will consist of 11 members, of which six must be active users of the FQHC Look-Alike's services and must reflect the demographics of those served by the entity. The other members are community leaders. No more than one-half of the non-user members may derive more than 10% of their income from the health care industry and none may be employed, or related to employees at the FQHC.
>
> The CHCB has authority over: a) approving the selection and removal of the Executive Director, who will initially be selected from among the existing CHC administrators; b) establishing policies for services and setting the hours of operation; c) implementing procedures for hearing and resolving patient grievances; and d) approving the budget and developing financial priorities in conjunction with DHS staff and with concurrence of the Board of Supervisors. Your Board will retain ultimate authority over finance and personnel matters.

DHS' Office of Ambulatory Care will provide staffing and support to the CHCB.

The application has been reviewed and approved by the Chief Administrative Office and County Counsel.

Attachment A provides additional information.

CONTRACT PROCESS:

It is not appropriate to advertise this action on the Los Angeles County Online Website.

IMPACT ON CURRENT SERVICES (OR PROJECTS):

The Board's approval of this recommendation will provide enhanced revenue to assist the Department in fulfilling its objectives.

When approved, this Department requires three signed copies of the Board's action.

Respectfully submitted,

Thomas L. Garthwaite, M.D.
Director and Chief Medical Officer

TLG:ar

Attachments (2)

c: Chief Administrative Officer
County Counsel
Executive Officer, Board of Supervisors

BLETCDFQHC.AR.WPD

ATTACHMENT A

SUMMARY OF REQUESTED ACTION

1. TYPE OF SERVICES:

   The Office of Ambulatory Care oversees the Federal Qualified Health Centers (FQHC) project which will replace some of the Cost Based Reimbursement Clinic revenue that will be lost when the 1115 Waiver sunsets on June 30, 2005.

2. FINANCIAL INFORMATION:

   There is net County cost associated with staffing and supporting the co-applicant board.

3. GEOGRAPHIC AREAS SERVED:

   All Districts.

4. ACCOUNTABILITY FOR PROGRAM MONITORING AND EVALUATION:

   Wesley Ford, Director, Office of Ambulatory Care.

5. APPROVALS:

Office of Ambulatory Care:	Wesley Ford, Director
Planning & Policy:	John Wallace, Director
Contract Administration:	Irene E. Riley, Director
County Counsel (as to form):	Anita Lee

APPLICATION FOR NEW FEDERALLY QUALIFIED

HEALTH CENTER LOOK-ALIKE DESIGNATION

LOS ANGELES COUNTY
DEPARTMENT OF HEALTH SERVICES

NOVEMBER 18, 2004

PROJECT SUMMARY

Overview of Community/Population

Los Angeles County, according to the 2000 Census, is the second largest metropolitan area in the United States, and has a sprawling population of more than 10 million residents and a geographic region spanning 4,081 square miles. The County encompasses 88 cities, including the city of Los Angeles, as well as vast unincorporated areas in which County agencies and services are prevalent.

An intricate web of public and private agencies responds to the health care needs of the estimated 25 percent of the population that is medically uninsured in the County. The Los Angeles County Department of Health Services (LACDHS) plays a pivotal role in the health care safety network, and is applying for FQHC Look-Alike designation for three of its community-based comprehensive health centers (CHCs), located in densely populated and contiguous urban neighborhoods of South and Central Los Angeles. The three CHCs are situated within two of five regional administrative clusters, which provide a wide variety of support services. The Hubert H. Humphrey CHC is in the Martin Luther King Cluster Network, and the H. Claude Hudson CHC and Edward R. Roybal CHC are in the LAC+USC Healthcare Cluster Network.

The service area has high numbers of residents living below 200% of the Federal Poverty Level (FPL). According to the Los Angeles County Health Survey for 2002-2003, 36.1% of residents in the service area are below 100 percent of the FPL, compared with 21.4% for Los Angeles County as a whole. Another 32% of residents are between 100 and 200 percent of the FPL, compared to 24.6% for Los Angeles County. Thus, a total of 68.1% of residents in the service area, which numbers more than 2,201,378 residents, live below 200% of the FPL, compared to 46% for Los Angeles County. The Health Survey also reports that unemployment was higher in the service area (4.6%) than for Los Angeles County as a whole (3.8%).[1] In addition, there are high numbers of ethnic minorities, particularly Latinos, many of whom are also recent immigrants with limited English language skills. The Health Survey reports that 40.7% of residents in the service area are not U.S. citizens, compared to 24.6 percent of the Los Angeles County population as a whole. Educational attainment is also low, with more than 44% of adults over the age of 18 without a high school diploma or equivalency (compared with roughly 25% for Los Angeles County).

Furthermore, according to the Health Survey, more than 20% of adults over 18 years of age in the service area are diagnosed with hypertension, 6.1% are diagnosed with asthma and 13.5% have arthritis. Additionally, 7.7 % have been diagnosed with depression and 5.8% with heart disease, and the asthma rate for adults is below 100% of the FPL (7.0%), which is higher than the rate for this same population throughout Los Angeles County (6.5%), indicating a disparity in health status for some of the poorest residents of the service area. The proposed delivery sites will provide health care and related services to low-income and primarily Latino residents of this densely populated service area.

Overview of Organization

LACDHS was reorganized in 1972 by order of the County Board of Supervisors, Los Angeles County's governing body. The first City Public Health Department dates back to 1857, and the County Health Department was founded in 1903. The City and County Health Departments were merged in 1964.

LACDHS is the largest County department and the second largest health system in the nation. It currently has some 23,317 budgeted positions and an operating budget $2.6 billion net appropriations. It provides acute and rehabilitative patient care, trains physicians and other health care clinicians, and conducts patient care-related research. LACDHS operates six hospitals, including some of the nation's premiere academic medical centers through affiliations with the University of Southern California School of Medicine, UCLA School of Medicine and the Charles R. Drew University of Medicine and Science. In addition, LACDHS operates six comprehensive health centers and multiple health centers throughout the County, many in partnership with private, community- based providers.

The Los Angeles County Board of Supervisors ("BoS") will act as the *co-applicant* for the CHCs, since it has chartered responsibility for LACDHS' services and programs. To permit the BoS to play this role, it is requested that

1 Office of Health Assessment and Epidemiology, Los Angeles County Department of Health Services.

HRSA allow it to retain its governing body functions, such as those that pertain to financial and human resources management. Health policy advisory authority, however, will be vested with a soon-to-be-created Community Health Center Board ("CHCB"), which shall assist and advise the BoS in promoting LACDHS' mission *to protect, maintain, and improve the health of communities*. It thus shall support and guide the BoS to provide comprehensive health care *that assesses health needs, develops policies to address those needs, ensures prevention and control of communicable diseases, manages harmful agents in the environment, encourages healthy behavior, and provides health promotion and preventive services*, as stated in the LACDHS mission. In essence, the CHCB will provide input and feedback to generally advise the development, implementation and evaluation of CHC programs and services, including, but not limited to, programs and services funded through the BPHC.

While the BoS is composed of five elected members, the CHCB will have 11 members. The majority of members serving on the CHCB will be Users of the three CHCs for a total of six Users. Each of the CHCs will initially nominate two of the patients for membership on the CHCB. In addition, five Non-User members will sit on the CHCB. They shall be persons who live or work in the CHC service areas, and who possess expertise in community affairs, finance and banking, legal matters, human service programs, commercial or business concerns or who otherwise possess skills or expertise that will likely be beneficial to the CHCB.

Project Plan

The Hudson, Humphrey, and Roybal CHCs provide comprehensive services across the lifecycles, either directly or at nearby County-operated facilities, through contract, or through documented cooperative arrangements. Access is assured for all patients regardless of their ability to pay. The following is a brief overview of each CHC's services:

- Hudson is situated on four acres south of the City of Los Angeles Downtown area in a 89,800 square foot, two-story building with 72 examination rooms and dental suites, and accommodations for three surgical suites. Last year, Hudson provided 171,170 visits to 51,634 men, women, and children. Services provided on-site include: Primary care services to all life cycles; Pediatric services including cardiology and allergy clinics; Full women's services including prenatal and family planning; HIV testing and early intervention services; Immunization; Cancer Screenings; Ambulatory surgery (non-trauma); Urgent care (16 hours each day); Adult internal medicine; Dental services for emergency and routine services; Optometry and Ophthalmology services; Dermatology and Endocrinology specialty services; Nutrition Counseling; and Social work services.

- Humphrey is situated on 3.5 acres and is located in the Southwest area of the City of Los Angeles in a 143,200 square foot, two-story building with 86 examination rooms. Last year, Humphrey provided 157,685 visits to 55,827 men, women, and children. Services provided on-site include: Primary care services to all life cycles; Pediatric services including well child visits; Women's services including prenatal, postpartum and gynecology; Family planning services; HIV testing and early intervention services; Immunizations; Cancer Screenings; Urgent care (16 hours each day); Adult internal medicine; Dental care services for emergency, restorative and routine services; Specialty Services (e.g., cardiology, ophthalmology, neurology and otolaryngology); physical therapy; Nutrition counseling; Diabetes management clinic; Social work services and a Geriatric clinic.

- Roybal is located at in an 115,000 square foot, three-story building with 99 examination rooms and 25 dental suites. Last year, Roybal provided 112,909 visits to 34,606 men, women, and children. Services provided on-site include: Primary care services to all life cycles; Walk-in services; Pediatric services; Full women's services, including prenatal and family planning services; HIV testing and early intervention services; Immunizations; Cancer Screenings; Adult internal medicine; Specialty Services (e.g., gastroenterology, dermatology, ophthalmology, liver, endocrine, and podiatry); Dental care; Nutrition Counseling; Diabetes management and Geriatrics.

PROJECT DESCRIPTION

SECTION A: NEED AND COMMUNITY IMPACT

The County of Los Angeles, through its Board of Supervisors and the Community Health Center Board, a commission, is applying for FQHC Look-Alike designation for three of its community-based comprehensive health centers (CHCs), located in densely populated and contiguous urban neighborhoods of South and Central Los Angeles. The three CHCs are:

Name	Address	Located in Census Tract
H. Claude Hudson Comprehensive Health Center (Hudson CHC)	2829 South Grand Ave. Los Angeles, CA 90007	06037224600
Hubert H. Humphrey Comprehensive Health Center (Humphrey CHC)	5850 South Main Street Los Angeles, CA 90003	06037239200
Edward R. Roybal Comprehensive Health Center (Roybal CHC)	245 South Fetterly Los Angeles, CA 90022	06037530400

1. Demonstration of the need for primary health care services in the service area communities.

According to the 2000 census, Los Angeles County is the second largest metropolitan area in the United States. It has a sprawling population of more than 10 million residents and a geographic area spanning 4,081 square miles. The County includes 88 cities, including the City of Los Angeles, and vast unincorporated areas in which County agencies and services are prevalent. There are an estimated 2.7 million uninsured residents of Los Angeles County, according to a recent study conducted by the Los Angeles County Department of Health Services (LACDHS), a division of the County that administers the public health care system and operates its health care sites.

The CHCs' service area is characterized by ethnic and cultural diversity, high population density, poverty, poor housing conditions, overcrowded schools, high drop-out rates, high rates of crime and gang-related disturbances, sparse commercial services (e.g., markets and laundromats), few parks or public recreational areas, and limited health care resources. The percentage of the population that is Latino is higher than the average for Los Angeles County as a whole and nearly double that of the State.

According to the LACDHS Data Collection and Analysis Unit, in 2000, Latinos comprised nearly 45% of the County's population, Whites 33%, Asian/Pacific Islanders 12%, African-Americans nine percent, and American Indians one percent. In the service area covered by the three CHCs, 66% of residents are Latino, 17.5% are African American, nine percent are Asian, and 5.5% are White. Table 1 below shows the ethnicity of residents in each of the service areas for Roybal, Hudson and Humphrey CHCs.

Table 1: Ethnic Diversity of Service Areas

	Roybal		Hudson		Humphrey		Total	
Total Population	927,185	100%	1,434,662	100%	1,317,694	100%	3,679,541	100%
Latino	665,953	71.8%	912,192	63.6%	850,756	64.5%	2,428,901	66%
African American	18,370	2%	266,314	18.5%	360,151	27.3%	644,835	17.5%
Asian	161,336	17.4%	135,619	9.5%	44,209	3.3%	341,164	9.3%
White	67,627	7.3%	93,478	6.5%	41,949	3.2%	203,054	5.5%
Multi-racial	9,787	1.1%	19,535	1.4%	13,741	1%	43,063	1.2%
Native American	1,831	0.2%	3,400	0.2%	3,000	0.2%	8,231	0.2%
Hawaiian/Pac. Is.	1,204	0.1%	1,487	0.1%	1,714	0.1%	4,405	0.1%
Other	1,077	0.1%	2,637	0.2%	2,174	0.1%	5,888	0.2%

The service area has a high number of persons living below 200% of the Federal Poverty Level (FPL), and many are below 100% of the FPL. According to the Los Angeles County Health Survey for 2002/03, 30.2% of residents in the service area are below 100 percent of the FPL, compared with 21.4% for Los Angeles County as a whole. Another 31.1% of residents in the service area are between 100% and 200% of the FPL, compared to 24.6% for Los Angeles County. Therefore a total of 61.3% of residents in the service area live below 200% of the FPL, compared to 46% for Los Angeles County overall. The Health Survey also reports that unemployment was higher in the service area (4.6%) than for Los Angeles County as a whole (3.8%).[2] In addition, there are high numbers of ethnic minorities, particularly Latinos, many of who are also recent immigrants with limited English language skills. The Health Survey reports that 40.7% of residents in the service area are not U.S. citizens, compared to 24.6% of the Los Angeles County population as a whole. Educational attainment is also low in the service area, with more than 44% of adults over the age of 18 having no high school diploma or equivalency (compared with roughly 25% for Los Angeles County).

The proposed delivery sites will provide health care and related services to low-income and primarily Latino residents of this densely populated service area. Within the service area population of 3,679,541, 61.3% of residents are at or below 200% of the FPL. Table 2 below shows the total population and number of residents with incomes below 100 and 200% of the FPL for the service area of each CHC.

Table 2: CHCs Service Area Population Income Levels

Site	Total Population	Population below 100% FPL	Percent below 100% FPL	Population below 200% FPL	Percent below 200% FPL
Roybal CHC	927,185	211,755	23.7%	483,018	54.0%
Hudson CHC	1,434,662	449,912	32.1%	891,863	63.6%
Humphrey CHC	1,317,694	423,967	32.7%	826,497	63.8%
Total	3,679,541	1,085,634	30.2%	2,201,378	61.3%

Given the high concentration of low-income foreign-born Latinos, there are therefore strong cultural and economic barriers to seeking and obtaining care, which often results in a high proportion of individuals suffering from often-treatable ailments, and a high number of costly emergency room visits. At the Los Angeles County King/Drew Medical Center in the Humphrey CHC service area, non-urgent emergency room visits account for 30% of all visits. For Los Angeles County/University of Southern California Medical Center (LAC+USC), which supports Hudson and Roybal CHCs, the non-urgent emergency room visits is within the same range, approximately one-third of all visits.

According to the Health Survey, more than 20% of adults over 18 years of age in the service area are diagnosed with hypertension, 6.1% are diagnosed with asthma and 13.5% have arthritis. Additionally, 7.7 % have been diagnosed with depression and 5.8% with heart disease. These numbers roughly mirror the rates of these diseases for Los Angeles County overall, which, based on California prevalence rates, are generally higher. The service area has, however, a higher rate of diabetes (7.9%) than for Los Angeles County (7.2%). In addition, the asthma rate for adults below 100% of the FPL in the service area (7.0%) is higher than the rate for adults throughout Los Angeles County (6.5%), indicating a further disparity in health status for some of the poorest residents of the service area.

The Pew Hispanic Center in 2002 reported that Hispanics are nearly twice as likely to develop diabetes as non-Hispanic whites (5.7 and 3.0 per 1,000 respectively). Latino rates for certain infectious diseases, including tuberculosis and AIDS, are also greater. Nationally in 1998, the rate of new tuberculosis cases among Latinos was 13.6 per 100,000, compared to 2.3 for whites, and 6.8 for the U.S. population as a whole (www.pewhispanic.org/site/docs/pdf/health_pdf_version.pdf).

2 Office of Health Assessment and Epidemiology, Los Angeles County Department of Health Services.

Cases of sexually transmitted diseases are markedly higher in the service area than for Los Angeles County and the rest of the state. According to the California Department of Health Services, in 2002, within the service area, the rate of persons with chlamydia per 100,000 was 539, compared to 386 for Los Angeles County and 293 for the State of California. Similarly, gonorrhea cases were also much higher, at 113 per 100,000, compared to 84 and 67 for the County and State respectively. Finally, total AIDS cases were also higher, at 579 per 100,000, compared to 471 and 370 for the County and State.[3]

2. *Justification of the need for FQHC Look-Alike designation and documentation of the lack of sufficient health care resources in the service area to meet the primary health care needs of the target population.*

There are 15 FQHC and three FQHC Look-Alike delivery sites in the combined service area . The three County-operated CHCs, which are located on major travel corridors that are accessible by public transportation, are within approximately seven miles of one another. All three facilities serve substantial numbers of low-income medically uninsured residents, though their capacity does not meet the health care needs of this population. Table 3 below shows the number of patients and encounters at each of the FQHC and FQHC Look-Alike clinics in the service area, including service data for the three LACDHS CHCs.

Table 3: 2003 Patient and Encounter Data by Clinic

Clinic (status)	Patients below 100% FPL[4]	Patients between 100% and 200% FPL	Total Patients	Total Encounters
Altamed Medical Group: East LA/Whittier (FQHC)	1,786	489	10,382	42,762
Altamed Medical Group (FQHC)	128	7	601	2,222
Altamed/Buenacare Health Clinic (FQHC)	78	11	407	1,906
Altamed Senior Buenacare (FQHC)	29	0	296	2,549
Arroyo Vista Family Health Center (FQHC)	3,998	648	4,871	18,512
Altamed Mobile Medical Clinic (FQHC)	649	49	1,997	3459
Franciscan Queenscare Sunol Clinic (FQHC)	7	3,556	3,995	14,960
Arroyo Vista Family Health Center (FQHC)	635	132	915	3,282
St. John's Well Child Center (Look-Alike)	14,088	1,565	15,653	36,535
Queenscare Family Clinic – Echo Park (FQHC)	6	8,210	10,585	37,553
South Central Family Health Center (FQHC)	7,404	75	7,479	25,217
Clinica Msr. Oscar A. Romero (FQHC)	9,280	1,440	10,724	36,153
Inst. For Multicultural Couns. & Ed Svs. (Look-Alike)	825	83	911	8,594
California Family Care Medical Groups (Look-Alike)	6,614	1,096	8,458	32,149
Queenscare Family Clinic – Wilshire Center (FQHC)	3	7,335	8,121	37,040
LA Free Clinic Hollywood Wilshire HC (Look-Alike)	41	3,293	3,854	10,571
New Watts Health Center (FQHC)	14,025	35	19,245	76,001
Magic Johnson SBHC (FQHC)	366	0	366	1,001
Roybal CHC	12,493	11,108	34,606	112,909
Hudson CHC	18,640	16,574	51,634	171,171
Humphrey CHC	20,153	17,920	55,827	157,685

Even with these complementary resources, the health disparities described above attest to the severe unmet need for affordable health care in the service area. Most of the other section 330 health centers are

3 LACDHS Department of Health Services, HIV Epidemiology Program, cumulative through December 31, 2003.
4 For all tables, poverty level data only includes patients for whom poverty status was determined. Total patient column includes all patients seen.

smaller and often niche-oriented facilities, whose services and target populations complement those of the CHCs. For example, Clinica Msr. Oscar A. Romero's patients are primarily uninsured Latinos, particularly indigenous people from Central and South America, many of whom speak other non-European languages. Other facilities focus on pediatric and family medicine, such as St. John's Well Child & Family Center, South Central Family Health Center, and QueensCare Family Clinics. The waiting time for scheduling appointments for these clinics is from between seven and 30 days for new patients and from between seven and 24 days for returning patients. This is a problem for many needy persons that may already be reticent to use traditional medical facilities, or those whose conditions have become acute. There is also the need for preventive care to avoid onset of certain conditions and timely health screening to diagnose early and to properly treat diseases.

Many persons are unable to overcome barriers to care, as a result, present themselves for services in the County's four hospital emergency rooms; some are later admitted for inpatient care due to the severity of their neglected condition. A key to sustaining the County's safety net system is to assure that people with chronic illness and emergent medical conditions are treated in the most clinically appropriate and cost-effective setting, avoiding remedial measures that are more costly to the individual and health care system. It is also critical that individuals are enrolled in appropriate care management and disease management programs to ensure better health outcomes and the cost-effectiveness of resources used.

To avoid deleterious health outcomes and costly hospital visits, treatment for chronic diseases such as hypertension, heart disease, asthma and diabetes is one focus of the CHCs. This includes case management of chronic diseases, along with availability of medications for disease management.

3. *Demonstration that that the health center location will permit the applicant to provide services to the greatest number of those in need in the service area.*

The CHCs have been providing services to local residents for a minimum of 25 years, and have become the medical home for tens of thousands of patients each year. They are each easily accessible by public transportation and are located in densely populated areas. The Hudson CHC is located on a major north-south thoroughfare, only blocks from the I-110 freeway and near the University of Southern California's inner-city campus. The Humphrey CHC is located a few miles north of Hudson on South Main Street, another major corridor, and only blocks from the I-110 freeway. The Roybal CHC is located slightly southeast of the interchange of I-710 and Highway 60, within seven miles of the other sites.

4. *Demonstration that the applicant is serving those most in need within the service area.*

The delivery of services at the three CHCs targets individuals with the most barriers to accessing care and the greatest need for services. This specifically includes the medically un-served and underserved: those without health insurance whose income is at or below 200% of the FPL, and who are mostly ethnic minorities with limited English speaking skills. Economic and cultural factors, such as high rates of poverty and unemployment, in addition to language barriers, result in a disproportionate number of minorities in the service area that are not receiving health care.

There are also potential communication barriers because many of the residents are monolinguals in Spanish or there are cultural disparities between providers and patients. As noted above, 40% of service area residents are not U.S. citizens. By design, the Hudson, Humphrey and Roybal CHCs offer services in English and Spanish, and the majority of front line staff is bi-lingual in both languages. CHCs also pay particular attention to immigrants and others with distinct cultural or linguistic preferences so that patients are able to obtain needed low or no cost medical care in ways that are both non-stigmatizing and obviate concern among patients that they are be perceived as a public charge.

At the Humphrey CHC, nearly 60% of patients are without insurance and pay for a portion of their care, determined by a fee schedule, which bases payment on the patient's financial ability to pay. At the Hudson CHC, nearly 70% of patients are uninsured/self-pay, and at the Roybal CHC, more than 66% of the patients are uninsured/self-pay. The patient populations of the three health centers combined in 2003 were 72% Latino, 21%

African American, 1.8% Asian, and 2.8% white. This information is aggregated for the three CHCs in the attached BPHC Table 2. In addition, combined, 61.3% of patients were at or below 200% of the FPL.

Major health needs of the user population include primary care, chronic disease management, mental health care, women's health care, STD treatment and AIDS education and prevention, prenatal and postnatal care, family planning and health education. Needs are identified through a review of patient requests for services and practitioner diagnosis and treatment. The County's comprehensive system of care, to which the three CHCs are linked, offers a response to virtually all health care needs.

5. Demonstration that applicant is serving, in whole or in part, a designated MUA or MUP.

For the three sites combined, the service area encompasses approximately 161 square miles, which represents 71 standard Los Angeles zip codes and 555 census tracts in whole or in part (see Exhibit A, Map of Service Area & Surrounding Facilities). More than one-third (34.9%) of the service area is designated as a MUA and/or MUP. At the Humphrey CHC, 58.2% of patients served in Fiscal Year 2002/03 resided in a MUA. At the Roybal and Hudson CHCs, 20.6% and 43.5% of residents respectively resided in MUAs.[5]

SECTION B: HEALTH SERVICES

Operated by the LACDHS, the Hudson, Humphrey, and Roybal CHCs provide comprehensive services across the human life cycle, either directly or at nearby County-operated facilities, through contract, or through documented cooperative arrangements (See Appendix, Table 1 – Services Provided for each of the three service sites). Access is assured for all patients regardless of ability to pay.

Service Site #1 – Hudson Comprehensive Health Center

The H. Claude Hudson CHC opened its doors for business in 1979 as a tribute to Dr. H. Claude Hudson's humanitarian accomplishments. As one of three CHCs in the LAC+USC Healthcare Cluster Network, the Joint Commission on Accreditation of Healthcare Organizations (JCAHO), as a required network standard accredits Hudson. The health center is situated on four acres just south of the City of Los Angeles Downtown area at 2829 South Grand Avenue in an 89,800 square foot, two-story building with 72 examination rooms and dental suites, and accommodations for three surgical suites. Last year, Hudson provided 171,171 visits to 51,634 men, women, and children.

The Hudson CHC maintains strong community ties by involvement in community collaborations, school and hospital programs, and community outreach. In order to share information and develop collaborative approaches to addressing community health needs, staff work closely with community organizations and committees such as the Children's Planning Council in the County's Strategic Planning Area (SPA) 4, Community Clinic Council Metro West, Community Clinic Association of Los Angeles County (CCALAC) Access to Primary Care/Skid Row Initiative, Los Angeles Homeless Service Authority (LAHSA), and Healthy Start Los Angeles Unified School District, including Rosemont, San Pedro, and Tom Bradley Elementary Schools. Hudson also collaborates with sister clinics and other health care providers in a variety of ways to achieve its goal of comprehensive, integrated care. For example, the County operates a Public Private Partnership (PPP) system in which community clinics and health centers provide ambulatory services to County indigent/responsible patients in an effort to reduce reliance on the County's inpatient hospital services and emergency rooms. These PPP clinics regularly refer patients to Hudson for services and specialty care not sufficiently available at County sites. Additionally, Hudson maintains collaborative relationships with the University of Southern California (USC) School of Engineering, USC Volunteers, LAC+USC School of Nursing, Cerritos College School of Dental Hygiene, Trade Tech College Nursing Program, and REI School as a practicum site.

1. Required Primary Health Services

5 LACDHS Office of Planning, Data Quality and Analysis

A. Primary & Preventive Health Care Services

Services provided at the site include:

- Primary care services to patients of all ages
- Pediatric specialty services, including cardiology and allergy clinics
- Full women's services, including prenatal and family planning
- HIV testing and early intervention services
- Immunizations
- Cancer screenings
- Urgent care (16 hours each day)
- Adult internal medicine
- Dental services for emergency and routine services
- Optometry and ophthalmology services
- Dermatology and endocrinology specialty services
- Nutrition counseling
- Social work services Ambulatory surgery (non-trauma)

Additional services offered directly or by referral to improve the health status of the community include:

- On-site supervised child waiting services for up to four hours at a time offered Monday through Saturday, eight hours each day.
- Participation in a managed care program with Community Health Plan (CHP), a Medi-Cal managed care provider. Enrollment is approximately 5,000 lives, which is the highest enrollment of any County operated CHC.
- Women, Infants and Children Services (WIC) provided by referral to nearby WIC service providers.
- Labor and delivery professional care provided by referral to LAC+USC Medical Center's Women's & Children's Hospital (WCH), an acute facility devoted to providing gynecological, obstetrical and pediatric care participating with Hudson as another component of the LAC+USC Network.
- Direct observed TB therapy provided by referral to the County of Los Angeles Public Health Services.
- Specialty medical and diagnostic services not offered on-site, but by referral to LAC+USC Medical Center, where services are provided regardless of a patient's ability to pay.
- Social services as the need arises for housing assistance, physical therapy, food bank/delivered meals, home visiting, and other supportive and intervention services by referral to County and community agencies.
- Treatment for victims of domestic violence and child abuse at the Violence Intervention Program at Women's and Children's Hospital.
- Outreach services for asthmatic children in the school district via a mobile asthma clinic.

B. Diagnostic Laboratory Services

The majority of routine and stat laboratory procedures are provided on-site. Diagnostic laboratory services (other than those provided on-site) are provided by LAC+USC Medical Center (Network partner) and Quest Diagnostic Laboratories. The term of the Quest contract is for one-year, beginning July 1, 2004 to June 30, 2005. Hudson is billed monthly and payment is made within 30 days at negotiated rates for all services rendered. Contract termination requires 30-day notice by either party. (See Appendix, Hudson/Quest Agreement) This contract is maintained under the clinical management and quality assurance of the health center.

C. Diagnostic Radiologic Services

The majority of diagnostic radiology services (X-rays) are provided on-site. X-rays are interpreted ("over-read") by a board certified radiologist on staff. X-ray services not available on-site are provided by referral to LAC+USC Medical Center, Hudson's Cluster Network partner.

D. Emergency and Urgent Care Medical Services

Hudson provides urgent care services for non-life threatening health problems and has fully documented procedures for the preliminary handling of common life threatening injuries and acutely ill individuals that present with or without an appointment. Additionally, there is a "Code Blue Committee", comprised of urgent care providers and staff that responds to code blue calls in order to triage patients to determine their health status and whether transport to LAC+USC's emergency room is necessary. Emergency

equipment is located in strategic positions throughout the health center and designated Committee members are responsible for maintenance of crash carts and their contents. Staff is trained in "Code Blue" drills that are held at least once each year and, as new staff is engaged, they are oriented to "Code Blue" procedures. Providers and support staff are trained and certified in cardiopulmonary resuscitation (CPR) and an instructor for CPR is employed by the health center.

E. Pharmaceutical Services

Pharmaceuticals are provided on-site through a directly operated licensed pharmacy at no or low cost. (See Appendix, Hudson/State of California Pharmacy License). Hudson providers utilize a County prepared formulary, which is approved by a countywide Pharmacy & Therapeutics Committee at least once each year. Pharmaceuticals are dispensed to all in need, regardless of the ability to pay.

F. Referrals to Other Health Related Services

Mental health services are provided by referral to one of the following County operated mental health programs: (a) Psychiatric Emergency Services (PES); (b) Adult Psychiatric Services, located at LAC+USC Medical Center; (c) Adolescent Inpatient Services, provided at Martin Luther King/Drew Augustus Hawkins Mental Health Center; and (d) outpatient services offered at various Los Angeles County Department of Mental Health (LACDMH) locations. Substance abuse services are provided by referral to outpatient services at the LACDMH locations with initial detoxification services provided at LAC+USC Medical Center.

G. Patient Case Management

Case management services provided at the Hudson CHC link patients with needed outside resources. Staff social workers provide coordination of referrals and follow-up to appropriate medical specialists and other community-based resources. Social workers also assist patients in gaining access to emergency food and shelter, legal and financial assistance, consumer advocacy, other providers, transportation, interpretive services, and provide education about access and appropriate use of services. The health center has well documented systems to track and monitor patient adherence to care plans and referral services, as well as to ensure the provision of coordinated, ongoing care.

Unique to the LAC+USC Healthcare Network is that patients accessing care have the same identifier across all Network sites and information systems are shared. Thus, providers at Hudson have access to test results conducted at others sites in the Network. The location of a patient's chart can be immediately determined and discharge orders and summaries can be accessed by providers across sites. Additionally, CHC site intake functions are centralized, as is the customer service center where patients can access clinical staff 24 hours each day.

H. Enabling Services

Assistance with determining eligibility for third party coverage of care is provided by Patient Financial Services Workers who have the responsibility to identify and assist patients in applying for various financial aid programs. Each patient receiving treatment is privately interviewed for financial resources to determine if he or she qualifies for Medicare, Medi-Cal, Child Health and Disability Prevention (CHDP) Program, California Healthy Families, or Family PACT programs.

Interpretation/translation services are provided by a multitude of staff. A list of Hudson employees with language skills other than English is updated monthly, including those proficient in sign language. For language capabilities other than those accommodated by health center employees, AT&T language translation services are utilized. A new program is also being piloted to provide three-way conversation capacity utilizing patient and provider headsets and an interpreter that is patched in. Providers are applauding it as an efficient and effective communication tool.

Transportation assistance to and from the CHCs and to specialty care appointments is available to clients with demonstrated need through County-operated van service and the provision of bus tokens.

Marketing and outreach workers spend the majority of their time participating in community activities with the goal of providing information and referrals regarding health center services and other various community resources. Outreach activities are focused on improving the quality of life of the target population, including regular visits to schools, churches, laundromats, and community-based agencies three to four times each month. Hudson health center also holds an annual health fair on its grounds each year to promote preventive health services and provide information about the health center. Outreach and health education materials have been customized for use at these venues and are translated into Spanish.

1. Education regarding the availability and proper use of health services

Health education is a vital component of improving the overall health of the community. Case management services, along with marketing and outreach programs (as described above) provide continuous education regarding the availability and proper use of services. This is in addition to specific health education services offered to each patient during his or her visit for common health concerns.

2. Contracted Services

All contracted services remain under the administration, clinical management, and quality assurance of the County. Contracts can only be executed in accordance with County procedures, which includes approval by either the BoS, or the County purchasing agent, who is responsible to the BoS. This assures that the contracted services remain subject to the governance of the CHCB. County boilerplate language permits monitoring of contractor books and records, and permits audits by LACDHS personnel, which subjects the services to administration. All contracts state the time period during which the agreement is in effect, the specific services covered, special conditions under which the services are provided, and the terms for billing and payment. (See Appendix for applicable contracts)

3. Availability of Health Services

Services are provided on an open access basis to individuals seeking care at LACDHS health centers. Services are provided regardless of race, ethnicity, group affiliation, age, gender, or the individual's ability to pay. Most services are provided by appointment with the exception of urgent care services, emergency dental services, and immunizations. Same-day appointments are available for some services, and many of the services are available in the evening and on Saturday. A list of patient rights and responsibilities is posted throughout the facility.

4. Clinical Staff/Use of Clinical Protocols

Thomas Beardmore, M.D. is Hudson's full-time Medical Director, providing clinical leadership for the last year. Dr. Beardmore attended Ohio State University Medical School and completed his postdoctoral training at Duke University Medical Center in metabolic diseases and rheumatic and genetic diseases. He is board-certified in internal medicine and rheumatology, and is a Professor of Medicine at the Keck School of Medicine at the University of Southern California. Dr. Beardmore is responsible for formulating medical program policies, which are consistent with LACDHS protocols, and providing leadership to the Quality Assessment and Value Improvement Program. Under his guidance, which is in tandem with the Chief Medical Officer's oversight (See Section C), providers follow national standards for the treatment of diabetes, asthma and hypertension set by national organizations. Hudson additionally operates in accordance with guidelines and protocols established by the State of California and the County of Los Angeles. Mid-level practitioners consult with service chiefs when the scope of services required is beyond their specific training.

John P. Wong, M.D. provides administrative oversight for all aspects of outpatient surgery as the Service Chief. Dr. Wong attended the University of California, Los Angeles, School of Medicine, and completed his post-graduate training at LAC+USC Women's & Children's Hospital Department of Obstetrics and Gynecology. He is board certified in obstetrics and gynecology and is Clinical Associate Professor, Obstetrics and Gynecology at the Keck School of Medicine. In addition to Dr. Beardmore and Dr. Wong, there are 66 full- and part-time providers delivering services at Hudson in the following service categories: (a) urgent care, b) pediatrics, c) adult services, c) women's health, d) outpatient surgery, and e) dental care (See Appendix Table 3

–Hudson Providers). The numerous providers are a combination of those directly employed by LACDHS and those under contract to provide services at Hudson. The Medical Board of California currently licenses all physicians. The State of California Board of Registered Nursing licenses all nurse practitioners and the Physician Assistant Committee of The Medical Board of California, licenses all physician assistants. Provider contracts are compliant with PIN 97-27.

When patients are referred for specialty medical and diagnostic consultation/services, clinical protocols are followed. Protocols have been developed for referrals, including routine referrals to specialists for services not available on-site. Clinical support staff and providers coordinate these referrals and track patient compliance. After hours and emergency medical care is provided from midnight to 8:00 AM by calling the Cluster Network customer service center, or LAC+USC Medical Center. Hudson providers have admitting privileges at LAC+USC Medical Center and/or County-operated hospitals, in addition to some private hospitals. The staff is involved in discharge planning and follow-up care.

5. Assurances to Provide Services to All Persons Within the Service Area

Hudson has a list of approved charges for the services it renders. However, few, if any of its patients personally pay the stated charges. Rather, all LACDHS facilities have court-approved systems for assuring that no cost or low cost services are available to those in need. Generally, to qualify for low cost or no cost services, patients must be unable to qualify for another governmental or private insurance programs and unable to pay the full cost of care provided. Patients must be a Los Angeles County resident and provide acceptable proof of address to receive no cost or low cost medical care. Programs currently offered by LACDHS include:

- *Up Front Cash Prepayment Plan,* which allows a patient to pay, within one week of the date of an outpatient clinic visit - $50 for prenatal visits; $50 for regular office visits; and $65 for urgent care visits.
- *Ability to Pay (ATP) Plan,* which is a sliding scale fee program that takes into consideration a patient's income, family size, and work related expenses in determining the amount of discount which will be given to the patient. Based on this method, the majority of patients qualify to receive services free of charge.

6. Days/Hours of Clinic Operation and Professional Coverage during Hours when the Health Center is closed

As shown in the table below, the health center is open for business 112 hours, seven days each week, including holidays. After-hours coverage is provided, when the health center is closed, through the Network customer service center or LAC+USC Medical Center. Adult and pediatric services are provided over 40 hours each week, including evenings and Saturdays; women's services are provided daily including some evenings and Saturdays; out-patient surgery is provided 40 hours each week Monday through Friday; dental, optometry/ophthalmology, immunizations, and social services are provided 40 hours each week, Monday through Friday, and nutrition services are offered 24 hours each week.

Providers are currently available to see patients according to the following schedule:

Day of the Week	Times Open
Monday through Friday	8:00 am –Midnight
Saturday and Sunday	8:00 am –Midnight (Urgent Care only)

7. Quality Assurance Program

The administration and coordination of Hudson's overall Quality Assessment and Value Improvement (QAVI) Program is designed to deliver quality patient care. Each department/service has a QAVI plan, which describes its planned systematic ongoing process for the monitoring, evaluating, and improving the quality of care and mechanisms to involve staff in identifying aspects of care that are most important to the health and safety of the patient services. Each department/service QAVI program includes (where applicable): (a) Quality/Utilization Review, including ongoing monitoring and evaluation of generic screens, operational linkages, risk management, infection control, safety/security, department specific indicators, statements of concern; (b)

review of surgical and other invasive procedures, including complications, post-operative infection rate, and tissue correlation; (c) medical records review for completeness and clinical pertinence; (d) blood usage review; (e) peer review; and (f) pharmacy and therapeutic function/drug usage evaluation. The QAVI Chairperson and Quality Improvement Manager provide expertise to the service chiefs as they are responsible for assuring the implementation of plans and the process for monitoring and evaluating the quality of the care and treatment by all individuals with clinical privileges in their department. Relevant provider specific findings from QAVI activities are considered essential for determining reappraisal/reappointment of medical staff members and the renewal or revision of their clinical privileges. All findings, conclusions, recommendations, actions taken, and the results of actions taken are documented and reported to the Medical Executive Committee and the Network Ambulatory Care Clinical Council through the Executive Director

Patient feedback is continuously sought through use of a six question patient questionnaire, which is given to each and every patient during his or her visit. Hudson has set a goal of achieving a rating of good to excellent from eight of every ten surveys completed. These surveys are tabulated monthly with trends analyzed over time and corrective action addressed with appropriate staff, as required. A comprehensive annual patient survey is additionally conducted that includes questions on ease of appointment scheduling, waiting times in reception, clinical area and discharge, courtesy exhibited by staff, satisfaction with services, provider's explanation of medical information, use of appropriate language, level of comfort, and overall rating of the health center. Analysis and reporting of data is provided to all levels of management and the governing body for information and action, as required.

A list of patient rights and responsibilities is posted throughout the center. Hudson follows a written patient grievance/complaints policy that outlines the appropriate chain of command. Complaints are handled at three levels: local supervisor, Service Chief (medical staff or nurse manager), or the Administrative Clinic Manager. If the complaint cannot be resolved at one of these three levels, it is referred to the Hudson CEO. All complaints are clarified and logged, and investigated with a written response requested from involved staff within seven to 14 days. The Risk Manager responds and submits a formal letter to the person making the complaint. Quarterly reports are distributed to the QAVI Committee. The Committee addresses unresolved concerns/issues, recommendations, and/or resolutions.

8. Services for Limited English Speaking Individuals

Utilizing multi-lingual staff and providers, as well as having a thorough understanding of the target population served, staff provide care in a culturally and linguistically competent manner. The health center prides itself on its ability to serve a multicultural population with limited English speaking abilities. Culturally appropriate health education services are provided through written materials in Spanish, and English.

Service Site #2 – Humphrey Comprehensive Health Center

The Hubert H. Humphrey CHC is linked with King/Drew Medical Center, which is also operated by LACDHS, although not formally as a network. The Joint Commission on Accreditation of Healthcare Organizations (JCAHO) accredits Humphrey. Situated on 3.5 acres, the health center is located in the Southwest area of the City of Los Angeles at 5850 South Main Street in a 143,200 square foot, two-story building with 86 examination rooms. Last year, Humphrey provided 157,685 visits to 55,827 men, women, and children.

The Humphrey CHC engages in collaborative efforts that have either been initiated locally or as part of a large County operated health system. Local collaborations include: (a) Los Angeles Unified and Compton Schools Districts for Child Health and Disability Prevention (CHDP) program health screenings on school campuses; (b) Community groups by participating in local (Second District) health fairs and blood drives; (c) Los Angeles County Office of AIDS Programs and Policy – Main Street Clinic for HIV Outreach; and (d) Affiliations with University of California, Los Angeles (UCLA) and Los Angeles Southwest College (nurse training), Drew University (residency training,), and Cerritos College (dental hygienists). Regional collaborations include: (a) Los Angeles County Office of Women's Health; (b) March of Dimes; (c) UCLA (patient assessment studies); (d)

Los Angeles County Department of Public Social Services (on-site eligibility workers); and (e) LA Care Health Plan (managed care contractor). Statewide collaborations include the Breast Cancer Early Detection Program and Cancer Detection Program and CHDP.

1. Required Primary Health Services

A. Primary & Preventive Health Care Services

Services provided on-site include:

- Primary care services to patients of all ages
- Pediatric services, including well child visits
- Women's services, including prenatal, postpartum and gynecology
- Family planning services, which are provided by JWCH Clinic and for which the health center does not pay
- HIV testing and early intervention services
- Immunizations
- Cancer screenings
- Urgent care (16 hours each day)
- Geriatric clinic
- Adult internal medicine
- Dental care services for emergency, restorative and routine services (Dr. Roger P. Fieldman, DDS, Inc. is on contract with the Humphrey paying (see Appendix for full contract)
- Specialty services (cardiology, ophthalmology, neurology and otolaryngology)
- Physical therapy
- Nutrition counseling
- Diabetes management
- Social work services

Additional services to improve the health status of the community include:

- Labor and delivery professional care is referred to King/Drew Medical Center, which is also operated by LACDHS.
- Patients are referred as the need arises for housing assistance and food bank/delivered meals.
- Medical outreach, including primary care services, health screenings, and CHDP screenings is [provided through the second supervisorial district in mobile vans.
- Specialty medical and diagnostic services not offered on-site are referred to King/Drew Medical Center, where services are provided regardless of a patient's ability to pay.
- Women, Infants and Children Services (WIC) provided by referral to nearby WIC services.

B. Diagnostic Laboratory Services

Routine laboratory procedures are provided on-site. Diagnostic laboratory services (other than those provided on-site) are provided by King/Drew Medical Center and five private sector medical services laboratories. Terms of the contract with Pathnet Esoteric Laboratory Institute and Quest Diagnostics Clinical Laboratories are for five years, beginning July 1, 2001 to June 30, 2006. Humphrey is billed monthly and payment is made within 30 days at negotiated rates for all services rendered. Contract termination requires 30-day notice by either party. (See Appendix, Los Angeles County Medical Laboratory Agreements) This contract is maintained under the clinical management and quality assurance of Humphrey and the County.

C. Diagnostic Radiologic Services

Diagnostic radiology (x-ray) services are provided on-site. X-rays are interpreted ("over-read") by Dr. Vena Charoonratana, a board certified radiologist on staff at Humphrey. Services not available on site are provided through referral to King/Drew Medical Center.

D. Emergency Medical Services

Humphrey routinely handles urgent medical care that is deemed non-life threatening and has fully documented procedures for handling preliminarily common life threatening injuries and acutely ill individuals that present at the health center. Urgent care providers triage patients to determine their health status; transportation is arranged to nearby King/Drew Medical Center's emergency room via Medical Alert Center (MAC) transfer or paramedics, as necessary.

Medical staff are trained and certified in cardiopulmonary resuscitation (CPR). Emergency equipment is located in strategic positions throughout Humphrey. Staff is trained in "Code Blue" drills held at least once each year, and all new staff are oriented to "Code Blue" procedures.

E. Pharmaceutical Services

Pharmaceuticals are provided on-site through Humphrey's own licensed pharmacy at no additional charge to the patient (See Appendix, Humphrey/State of California Pharmacy License). Humphrey providers utilize a County formulary, which is prepared by a County-wide Pharmacy & Therapeutics Committee and monitor compliance through Humphrey's own Pharmacy & Therapeutics Committee. Pharmaceuticals are dispensed to all in need regardless of the ability to pay.

F. Referrals to Other Health Related Services

Mental health services are provided by referral to one of the following County operated mental health programs: (a) Psychiatric Emergency Services (PES); (b) Adult Psychiatric Services, located at LAC+USC Medical Center; (c) Adolescent Inpatient Services, provided at Martin Luther King/Drew Augustus Hawkins Mental Health Center; and (d) outpatient services offered at various Los Angeles County Department of Mental Health (LACDMH) locations. Substance abuse services are provided by referral to outpatient services at the LACDMH locations with initial detoxification services provided at LAC+USC Medical Center.

G. Patient Case Management

In addition to the system of care that links patients with needed outside resources, Humphrey provides a wide array of case management services. Its staff provides coordination of referral to and follow-up with appropriate medical specialists and other community-based resources. Case management services assist patients in gaining access to social services, transportation, interpretive services for languages not readily spoken at Humphrey, and education about access and appropriate use of services. Humphrey has well documented systems to track and monitor patient adherence to care plans and referral services, as well as to ensure the provision of coordinated, ongoing care. Protocols for case management are fully documented.

H. Enabling Services

Assistance with determining eligibility for third party coverage is provided by patient financial services workers who have the responsibility to identify and assist patients in applying for various financial aid programs. Each patient receiving treatment is privately interviewed for financial resources to determine if he or she qualifies for Medicare, Medi-Cal, CHDP, Healthy Families, or Family PACT.

Interpretation/translation services are provided by a multitude of staff. In the event that a patient presents at Humphrey and speaks a language other than English, the health center utilizes the *interpreter service directory*, a listing of employees with various language capabilities. For languages not spoken by employees, Humphrey utilizes AT&T language translation services via an 800-telephone number. Services for hearing impaired are offered by Lifesigns, Inc. Transportation assistance to and from the clinic and to specialty care appointments is available to clients with demonstrated need.

Humphrey provides innovative outreach programs to the community to ensure that local residents are familiar with the health center and its programs. Through collaborations previously reported, Humphrey reaches out to its community. Staff regularly visit schools, churches, and community centers to conduct medical screenings and provide educational services. Outreach and health education materials have been customized for use at such venues and are translated into Spanish.

I. Education regarding the availability and proper use of health services

Health education is a vital component to improving the overall health of the community. Case management services along with marketing and outreach programs (as described above) provide education regarding the availability and proper use of services. In addition, situation specific health education is offered to each and every patient during his or her visit for common and complex health concerns.

2. *Contracted Services*

All contracted services remain under the administration, clinical management, and quality assurance of the County. Contracts can only be executed in accordance with County procedures, which include approval by either the BoS, of the County purchasing agene, who is responsible to the BoS. This assures that the contracted services remain subject to the governance of the CHCB. County boilerplate language permits monitoring of contractor books and records, and permits audits by LACDHS personnel, which subjects the services to administration. All contracts state the time period during which the agreement is in effect, the specific services covered, special conditions under which the services are provided, and the terms for billing and payment. (See Appendix for applicable contracts for the Humphrey service site)

3. *Availability of Health Services*

Services are provided on an open access basis to individuals seeking care at LACDHS health centers. Services are provided regardless of race, ethnicity, group affiliation, age, gender, or the individual's ability to pay. Most services are provided by appointment with the exception of urgent care services, emergency dental services, and immunizations. Same-day appointments are available for some services, and many of the services are available in the evening and on Saturday. A list of patient rights and responsibilities is posted throughout the facility.

Humphrey has a policy of engaging the community in developing and improving the health center's information and education, health, and maintenance care services. The policy includes: (a) consumers' participation in health program planning and program assessment; (b) health needs identification, promotion, planning and discussion at the neighborhood level; (c) development of health related forums to assure awareness of the rights and concerns of citizens; (d) stimulation of community coalitions to develop advocacy in health-related matters; (e) development and maintenance of volunteer programs that provide enrichment of services; (f) technical assistance and outreach for community agencies concerning health related projects that further service goals; (g) ongoing awareness of the special concerns of minority groups; and (h) provision of information and referral services.

4. *Clinical Staff/Use of Clinical Protocols*

The clinical staff includes 47 full-time and part-time providers (See Appendix, Table 3 – Humphrey Providers). The on-site Medical Director Lakshmi Makam, MD, provides medical leadership on an interim basis. She is board-certified in pediatrics. Humphrey is actively recruiting for the full-time permanent Medial Director position with several excellent candidates already identified. Final selection is anticipated January 2005. The Medical Director is responsible for assuring that quality medical care is provided according to the standard protocols, and the Quality Assurance Program is implemented. The Medical Director is also responsible for direct clinical oversight of physicians and midlevel practitioners. All physicians are currently licensed. by the Medical Board of California. The State of California Board of Registered Nursing licenses all nurse practitioners and the Physician Assistant Committee, and The Medical Board of California licenses all physician assistants. The numerous providers are a combination of those directly employed by LACDHS at Humphrey or King/Drew Medical Center and those under contract to provide services at Humphrey. Provider contracts are compliant with PIN 97-27.

Under the guidance of the site's Medical Director, who reports to the Applicant's Chief Medical Officer, providers follow clinical practice guidelines for certain conditions. The criteria for development of guidelines includes: a high volume or problem prone conditions, the availability of accepted national guidelines, and the expectation that standardizing the care of the condition will result in improved patient care. Outcomes related to the use of clinical practice guidelines are also evaluated. Humphrey additionally operates in accordance with guidelines and protocols established by the State of California and the County of Los Angeles.

Protocols have been developed for referrals, including routine referrals to specialists, and acute medical emergency conditions. Clinical support staff and providers coordinate these referrals and track patient compliance. After hours and emergency medical care is provided Midnight to 7:30 AM by LACDHS operated King/Drew Medical Center. Humphrey providers have admitting privileges at King/Drew Medical Center and/or

other County hospitals, in addition to some private hospitals. Humphrey's staff is involved in discharge planning and in the provision of needed follow-up care.

5. Assurances to Provide Services to All Persons Within the Service Area

Humphrey has a list of approved charges for the services it renders. However, few, if any of its patients personally pay the stated charges. Rather, all LACDHS facilities have court approved systems for assuring that no cost or low cost services are available to those in need. Generally, to qualify for low cost or no cost services, patients must be unable to qualify for another governmental or private insurance programs and unable to pay the full cost of care provided. Patients must be a Los Angeles County resident and provide acceptable proof of address to receive no cost or low cost medical care. Programs currently offered by LACDHS include:

- *Up Front Cash Prepayment Plan,* which allows a patient to pay, within one week of the date of an outpatient clinic visit - $50 for prenatal visits; $50 for regular office visits; and $65 for urgent care visits.
- *Ability to Pay (ATP) Plan,* which is a sliding scale fee program that takes into consideration a patient's income, family size, and work related expenses in determining the amount of discount which will be given to the patient. Based on this method, the majority of patients qualify to receive services free of charge.

6. Days/Hours of Clinic Operation and Professional Coverage during Hours when the Health Center is closed

Providers are currently available to see patients according to the following schedule:

Day of the Week	Times Open
Monday through Friday	7:30 am –Midnight
Saturday and Sunday	7:30 am –Midnight (Urgent Care only)

As shown above, Humphrey is open for business 115.5 hours, seven days each week, including holidays. After hour's coverage is provided by directing managed care patients to an 800 telephone numbers and all others to King/Drew Medical Center. Humphrey is in the process of installing an "auto-attendant" answering device to work in conjunction with the telephone system that will provide detailed instructions on how to access providers after hours.

7. Quality Assurance Program

The Quality Assurance Program at Humphrey involves the ongoing collection and evaluation of data pertinent to all aspects of patient care for dual purposes of identifying problems and their resolution, and identifying and pursuing opportunities to improve patient care. The intent of the program is to provide: (a) optimum quality health care with improvement efforts achieved through the functions of its various committees and interdisciplinary teams; (b) appropriate use of health care resources, including the avoidance of over and under utilization of those resources; and (c) accessibility to the health care delivery system.

Patient satisfaction is assessed for each of Humphrey's departments/services on a rotating basis, with three to four departments/services surveyed each quarter. All departments/services are surveyed at least once each year. The purpose of administering the patient satisfaction survey at least once each year for each service is to obtain feedback from patients regarding the quality of services provided, to identify opportunities for improving care delivery, and to enhance customer satisfaction. The survey is available in both English and Spanish, and staff are available to assist patients in completing surveys.

Humphrey has policies for the proper handling of patient complaints/grievances. Complaints are handled in an expeditious, effective and caring manner. Staff is empowered to handle complaints on the spot while unresolved complaints are documented on patient complaint forms and listed in the patient complaint log. A copy of the log is distributed daily to management. Division/service heads, with sign off by the Humphrey CEO, prepare formal written responses to patient complaints and a copy is provided to the Quality Assurance Committee. Patient grievances/complaints are defined as any verbal or written expression of dissatisfaction with the services provided at Humphrey (e.g. medical care, billing, medical records, public contact, referrals, or safety issues).

8. Services for Limited English Speaking Individuals

Humphrey provides services that are multi-cultural and linguistically appropriate for the targeted community. All patient instruction handouts and patient care forms are provided to Spanish speaking patients who have limited English-speaking capabilities in Spanish. Interpreters are available on-site to assist with the completion of forms. An internal Interpreter Service Directory provides a listing of employees along with their division/department, language capability, availability, and contact information.

Service Site #3 – Roybal Comprehensive Health Center

As one of three CHCs in the LAC+USC Healthcare Network, the Edward R. Roybal CHC is accredited by the Joint Commission on Accreditation of Healthcare Organizations (JCAHO), as a network component. The health center is located at 245 South Fetterly Avenue in an 115,000 square foot, three-story building with 99 examination rooms and 25 dental suites. Last year, Roybal provided 112,909 visits to 34,606 men, women, and children.

The Roybal CHC maintains community ties by its participation with community campaigns and outreach events, such as health fairs, festivals, and school programs. Roybal has partnered with Garfield High School, whereby teachers are provided transportation to Roybal and given an orientation to the programs and services available to the community. Roybal staff has also participated in health-related programs at the High School. Other events include participation in the Festival de los Tres Santos Reyes at Henry Acuna Park, at Bravo Medical Magnet High School, at Belvedere Park for the ABC Annual Resource Fair, at Hollenbeck Park for its annual Health Fair, at Montebello Park for its annual Puerto Rican Fair, and Bell Gardens Veterans Park for the Bell Gardens Health Fair.

1. Required Primary Health Services

A. Primary & Preventive Health Care Services

Services provided on-site include:

- Primary care services to patients of all ages
- Walk-in services
- Pediatric services
- Full women's services, including prenatal and family planning services
- HIV testing and early intervention services
- Immunizations
- Cancer screenings
- Primary care services to all life cycles
- Walk-in services
- Pediatric services
- Full women's services, including prenatal and family planning services
- HIV testing and early intervention services
- Immunizations
- Cancer screenings
- Adult internal medicine
- Specialty services (gastroenterology, dermatology, ophthalmology, liver, endocrine, and podiatry)
- Dental care services for emergency, restorative and routine services –(Dr. Roger P. Fieldman, DDS, Inc., is on contract with the Roybal paying for the services) (See Appendix for full contract)
- Nutrition counseling

Additional services offered to improve the health status of the community include:

- Women, Infants and Children Services (WIC) provided by referral to nearby WIC services.
- Labor and delivery professional care provided by referral to Women's & Children's Hospital (WCH), at LAC+USC Medical Center, which provides gynecological, obstetrical and pediatric care.
- Medi-Cal managed care is accessed through the Community Health Plan.
- Direct observed TB therapy provided by referral to the County of Los Angeles Public Health Services.
- Specialty medical and diagnostic services not offered on-site, by referral to LAC+USC Medical Center where services are provided regardless of a patient's ability to pay.
- A variety of social services are provided through referral as the need arises for housing assistance, physical therapy, food bank/delivered meals, and home visiting.

- Violence intervention services are provided through referral to the program at WCH that treats victims of domestic violence and child abuse.
- Outreach services for asthmatic children in the school district are provided via a mobile asthma clinic.

B. Diagnostic Laboratory Services

Stat laboratory procedures are provided on-site. Diagnostic laboratory services (other than those provided on-site) are provided by LAC+USC Medical Center (Network partner), and Quest, Focus and Pathnet Laboratories. The contracts are for one-year terms beginning July 1, 2001 which are automatically renewable for additional one-year periods until June 30, 2006. Roybal is billed monthly and payment is made after receipt of a complete and correct bill at negotiated rates for all services rendered. Contract termination requires 30-day notice by either party (See Appendix, Roybal/Quest, Focus, Pathnet Agreement). This contract is maintained under the clinical management and quality assurance of the health center.

C. Diagnostic Radiologic Services

The majority of diagnostic radiology services (x-rays) are provided on-site. X-rays are interpreted ("over-read") by contracted board certified radiologists. X-ray services not available on-site are provided by referral to LAC+USC Medical Center (Network partner).

D. Emergency Medical Services

Roybal has fully documented procedures for handling preliminarily common life threatening injuries and acutely ill individuals that present at the health center with or without an appointment. Roybal providers triage patients and determine the patient's health status, then transportation is arranged to nearby LAC+USC Medical Center's emergency room or other local emergency rooms if necessary.

Medical staff are trained and certified in cardiopulmonary resuscitation (CPR). Emergency equipment is located in strategic positions throughout Roybal. Staff are trained in "Doctors Assist" procedures and drills are held at least once each year. All new staff are oriented to "Doctors Assist" procedures.

E. Pharmaceutical Services

Pharmaceuticals are provided on-site through Roybal's own licensed pharmacy at no or low cost (See Appendix, Roybal/State of California Pharmacy License). Roybal providers utilize a County formulary, which is approved by a County-wide Pharmacy & Therapeutics Committee and monitor compliance through Roybal's own Pharmacy & Therapeutics Committee. Pharmaceuticals are dispensed to all in need, regardless of their ability to pay.

F. Referrals to Other Health Related Services

Mental health services are provided by referral to one of the following County operated mental health programs: (a) Psychiatric Emergency Services (PES); (b) Adult Psychiatric Services, located at LAC+USC Medical Center; (c) Adolescent Inpatient Services, provided at Martin Luther King/Drew Augustus Hawkins Mental Health Center; and (d) outpatient services offered at various Los Angeles County Department of Mental Health (LACDMH) locations. Substance abuse services are provided by referral to outpatient services at LACDMH locations with initial detoxification services at LAC+USC Medical Center.

G. Patient Case Management

Case management services provided at the Roybal CHC link patients with needed outside resources. Case management staff provides coordination of referrals to and follow-up with appropriate medical specialists and other community-based resources. Case management staff along with nursing staff also assist patients in gaining access to emergency food and shelter, legal and financial assistance, consumer advocacy, transportation, interpretation services, and provide education about access and appropriate use of services. Roybal has well documented systems to track and monitor patient adherence to care plans and referral services, as well as to ensure the provision of coordinated, ongoing care.

Unique to the LAC+USC Healthcare Network is that patient's accessing care have the same identifier across all Network sites and information systems are shared. Thus providers have access to tests results conducted across Network sites, the location of a patient's chart can be immediately identified, and providers anywhere in the Network can access discharge orders and summaries. Additionally, the Network site's intake functions are centralized, as is the customer service center where patients can access clinical staff 24 hours each day.

H. Enabling Services

Assistance with determining eligibility for third party coverage is provided by patient financial services workers who have the responsibility to identify and assist patients in applying for various financial aid programs. Each patient receiving treatment is privately interviewed for financial resources to determine if he or she qualifies for Medicare, Medi-Cal, CHDP, Healthy Families, or Family PACT.

Interpretation/translation services are provided by a multitude of staff. A list of Roybal employees with language skills other than English is updated monthly and includes those proficient in sign language. For language capabilities other than those accommodated by Roybal employees, AT&T language translation services are utilized.

Transportation assistance to and from the health center, and to specialty care appointments is available to all clients with demonstrated need through van service and the provision of bus tokens.

In addition to the outreach events previously mentioned, Roybal participates in Network outreach events that are calendared for the year. These events are typically held in Roybal's lobby and the main purpose is to provide education to patients and focus them on improving their quality of life. All patient information is translated into Spanish, the predominant language of patient's in Roybal's service area.

I. Education regarding the availability and proper use of health services

Health education is a vital component to improving the overall health of the community. Case management services, along with marketing and outreach programs (as described above), provide continuous education regarding the availability and proper use of services. This is in addition to specific health education services offered to every patient during his or her visit for common health concerns.

2. Contracted Services

All contracted services remain under the administration, clinical management, and quality assurance of the County. Contracts can only be executed in accordance with County procedures, which includes approval by either the BoS, or the County purchasing agent, who is responsible to the BoS. This assures that the contracted services remain subject to the governance of the CHCB. County boilerplate language permits monitoring of contractor books and records, and permits audits by LACDHS personnel, which subjects the services to administration. All contracts state the time period during which the agreement is in effect, the specific services covered, special conditions under which the services are provided, and the terms for billing and payment. (See Appendix for applicable contracts)

3. Availability of Health Services

Services are provided on an open access basis to individuals seeking care at Roybal. Services are provided regardless of race, group affiliation, age, gender, or the individual's ability to pay. Most services are provided by appointment although same-day appointments are available for some services. A list of patient rights and responsibilities is posted throughout the facility.

4. Clinical Staff/Use of Clinical Protocols

Gregory M. Roybal, M.D., M.P.H. is the full-time Medical Director, having provided clinical and administrative leadership since March 2000. Dr. Roybal received his medical degree from the University of Southern California (USC) in Los Angeles and completed his post-graduate specialty training in internal medicine at the University of California, San Francisco. Dr. Roybal is board certified in internal medicine and a Clinical Associate Professor of Medicine in the Department of Medicine at the Keck School of Medicine. In

addition, Dr. Roybal received his Masters of Public Health degree from the University of California, Los Angeles, with an emphasis in health services policy. Dr. Roybal also teaches in the USC Health Promotions Disease Prevention undergraduate program and co-chairs the LACDHS Disease Management Oversight Team implementation program. Dr. Roybal is responsible for the formulation, implementation, and evaluation of medical programs and policies at Roybal. He is Roybal's liaison to the LAC+USC Healthcare Network Medical Executive Committee, chairing the Network Ethics Resource Committee, and participates on several medical staff committees, including Infection Control, Interdisciplinary Practice, and Pharmacy and Therapeutics. Dr. Roybal will additionally serve as the Applicant's CMO (See Section C), and in this position, will join the Management Team.

In addition to Dr. Roybal there are 18 full and part-time providers delivering services at Roybal in the adult, pediatric and women's services (See Appendix Table 3 – Roybal Providers). The many providers are a combination of those directly employed by LACDHS and those under contract to provide services at Roybal. The Medical Board of California currently licenses all physicians. The State of California Board of Registered Nursing licenses all nurse practitioners, and the Physician Assistant Committee of The Medical Board of California licenses all physician assistants. Provider contracts are compliant with PIN 97-27.

Providers at Roybal follow national standards for the treatment of chronic diseases set by national organizations and provides care in accordance with the guidelines and protocols established by the medical staff of the LAC+USC Healthcare Network, the County of Los Angeles, and the State of California. Protocols have been developed for referrals, including routine referrals to specialists for services not available on-site. Clinical support staff and providers coordinate these referrals and track patient compliance. After hours and emergency medical care is provided 4:30 PM to 8:00 AM by calling the Network customer service center and/or calling LAC+USC Medical Center.

5. *Assurances to Provide Services to All Persons Within the Service Area*

Roybal has a list of approved charges for the services it renders. However, few, if any of its patients personally pay the stated charges. Rather, all LACDHS facilities have court approved systems for assuring that no cost or low cost services are available to those in need. Generally, to qualify for low cost or no cost services, patients must be unable to qualify for another governmental or private insurance programs and unable to pay the full cost of care provided. Patients must be a Los Angeles County resident and provide acceptable proof of address to receive no cost or low cost medical care. Programs currently offered by LACDHS include:

- *Up Front Cash Prepayment Plan,* which allows a patient to pay, within one week of the date of an outpatient clinic visit - $50 for prenatal visits; $50 for regular office visits; and $65 for urgent care visits.
- *Ability to Pay (ATP) Plan,* which is a sliding scale fee program that takes into consideration a patient's income, family size, and work related expenses in determining the amount of discount which will be given to the patient. Based on this method, the majority of patients qualify to receive services free of charge

6. *Days/Hours of Clinic Operation and Professional Coverage when the Health Center is closed*

As shown below, Roybal is open for business 48 hours each week, including Saturdays. After hours coverage is provided through the Network customer service center and/or LAC+USC Medical Center.

Providers are currently available to see patients according to the following schedule:

Day of the Week	Times Open
Monday through Friday	8 a.m. – 4:30 p.m.
Saturday	8 a.m. – 4:30 p.m. (Walk-In open every Saturday and pediatrics on the 1st and 3rd Saturday)
Sunday	Closed

7. *Quality Assurance Program*

Roybal's quality assurance program takes place through the Quality Improvement Implementation Group (QIIG). This leadership group meets monthly and is comprised of the CEO, Medical Director, Nursing

Director, MIS Director, Pharmacy Director, and Performance Improvement Coordinator. It receives reports from the Roybal department heads quarterly on a rotating schedule. During its meetings, data from the reports are analyzed for trends and ways to make improvements. Topics that are covered in this committee are: JCAHO issues; utilization management; Safety/Disaster Committee; Infection Control Committee; risk management/patient safety/patient satisfaction; finance/productivity/personnel; pharmacy; nursing; radiology; laboratory; family planning; and dental. This information is reported quarterly to the Roybal's management and will be shared with the governing body.

8. Services for Limited English Speaking Individuals

Utilizing multi-lingual staff and providers, as well as having a thorough understanding of the target population served, staff provide care in a culturally and linguistically competent manner. The health center prides itself on its ability to serve a multicultural population with limited English speaking abilities. Culturally appropriate health education services are provided through written materials in Spanish, and English.

SECTION C: MANAGEMENT AND FINANCE

The CHCs that comprise the three service sites proposed for FQHC Look-Alike designation are operated by LACDHS, which also operates a number of other County health facilities. LACDHS is the second largest health system in the nation. It is currently budgeted for some 23,317 employees and has an operating budget $2.6 billion. It provides acute and rehabilitative inpatient care, renders ambulatory care in both institutional and non-institutional settings, trains physicians and other health care clinicians, and conducts patient care-related research. LACDHS operates five hospitals, including some of the nation's premiere academic medical centers through affiliations with the Keck School of Medicine at the University of Southern California, UCLA School of Medicine, and the Charles R. Drew University of Medicine and Science. In addition, LACDHS operates six comprehensive health centers and multiple other health centers throughout the County, many in partnership with private, community-based providers.

LACDHS has organized its various health facilities into five administrative clusters centered in a general acute care hospital. These clusters provide a wide variety of support services, including finance, budgeting and general ledger maintenance, human resource management, and quality assurance to their component health care sites. The three Applicant CHC sites are located in densely populated and contiguous urban neighborhoods of South and Central Los Angeles, but are part of two different clusters. Hubert H. Humphrey CHC is in the Southwest Cluster affiliated with King/Drew Medical Center, and H. Claude Hudson CHC and Edward R. Roybal CHC are in the LAC+USC Healthcare Network. Administrative and financial services for the CHCs will be provided through these clusters, as well as other components of LACDHS, subject, however, to the authority of the Community Health Center Board, ("CHCB"), the co-applicant board established by the Board of Supervisors to provide governance to the entity (see Section D).

LACDHS' Office of Ambulatory Care, which is charged with facilitating the delivery of primary health care services to County residents, will provide administrative support to the Executive Director. This is the same entity that manages the County's innovative Public Private Partnership program, whereby providers provide primary care services under contract to the County. The Office of Ambulatory Care will also support the activities of the co-applicant board.

1. Management Structure

From a County organizational standpoint, the Executive Director will be an LACDHS employee with responsibility for management oversight of the three CHCs. The Executive Director will report directly to the CHCB, and will take his or her policy direction and guidance from that body on matters committed to its responsibility. On an interim basis, Carolyn S. Clark, who also serves as CEO for the H. Claude Hudson Comprehensive Health Center, will serve as Executive Director. She has been in this position with Hudson

since 1993. It is LACDHS' intention to establish a separate permanent position of the Executive Director, which will be filled upon acceptance of this application and approval by the CHCB.

The Executive Director will be responsible for supporting the work of the CHCB, helping it to frame policy directives, while also overseeing consistent policy implementation among the CHCs. He or she will attend CHCB meetings, working closely with the President of the CHCB to prepare for meetings. The Executive Director will be knowledgeable about BPHC policies as they pertain to FQHC Look-Alikes, and will assure that sites are managed in compliance with federal requirements. The Executive Director will also serve as principal liaison with HRSA. This position will also provide administrative support to CHC management staff, and will assist in the continuing evaluation of each site's effectiveness and responsiveness to community needs. As warranted, the Executive Director will develop recommendations for program changes.

Each of the CHC sites has an administrator (CEO) who is responsible for directing and managing the day-to-day activities of the site. These administrators will directly report to the Executive Director, providing him or her with information on the activities of their respective facilities. Each administrator additionally will have an informal reporting relationship to the Chief Executive Officer for the cluster. The purpose of this relationship is to assure continuous communication, and appropriate coordination between the activities of the Applicant sites and other sites within the cluster, since the CHC's will continue to receive most of their support services through the cluster. The individual CHC administrators will also attend the CHCB meetings.

To support the Executive Director and to assure that sound management decisions are reached and implemented across the three CHCs, the Executive Director will convene at least once each month a management team that will additionally include the LACDHS' Director of Finance, Gary W. Wells, who has been with the Department since 1977, and as Chief Medical Officer (CFO) Gregory M. Roybal, MD, who also serves as Medical Director for the Roybal CHC. From time to time, other management staff will be invited to attend, including, for example, the Information Technology Director from one of the two clusters, and a Director of Nursing from one of the three CHCs, as well as the CHC CEOs. Their inclusion will be based on the anticipated agenda for meetings. Charged with oversight of related functions within the CHCs, management team members will assure that policy is consistently implemented, that service quality is upheld, and that maximum access to health care is achieved, which is comprehensive, efficient, and cost-efficient.

From a County organizational standpoint, the Applicant's Director of Finance, Mr. Wells, who is a LACDHS employee, is responsible for overseeing the financial affairs associated with the Applicant, including monitoring the work of the individual cluster staff, and consolidating information from the various sites for planning purposes and the CHCB's use. In Mr. Wells' capacity as the CFO, he will take direction and work assignments from the Executive Director and the CHCB, and will report results and findings directly to them.

The following are brief biographical sketches of management team members: *Carolyn S. Clark* is completing a Masters in Public Administration degree from California State University at Dominguez Hills. As Hudson CHC CEO, she is directly responsible for the management and operation of five facilities, with 311 health professionals, more than 200,000 patient-visits each year, and an annual operating budget of more than $35 million. Before becoming CEO in 1993, she served as assistant administrator for two years and as the Humphrey CHC's assistant administrator for five years; *Gary Wells*, who is a certified internal auditor (since 1975), holds a MA degree from the University of the Redlands, and has a certificate in health planning and administration from the University of Southern California (USC). As LACDHS' Director of Finance since 1996, he brings more than 32 years of experience in internal auditing and health care financial management; and *Gregory M. Roybal, MD*, an internist and graduate of the Keck School of Medicine, has been with LACDHS since 1993. He holds a postdoctoral fellowship from USC's Institute for Health Promotion and Disease Prevention Research, funded by the National Cancer Institute, and a MPH from UCLA. Dr. Roybal co-chairs the Disease Management Oversight Team for LACDHS.

2. Management Information Systems

LACDHS' management information system is a wide area network (www.dhs.co.la.ca.us) with *intranet* access, which facilitates data communication among LACDHS facilities, program offices and administration, and

includes ambulatory and hospital patient information and a referral center database. The site is accessible to the public, yet is also firewall-protected, requiring user-authentication before certain data can be accessed.

The patient appointment system that the three CHCs use is the QuadraMed Affinity System (QAS, formerly known as CompuCare). This system records information on patient registration, appointment scheduling, case management/patient accounting, medical records indexing and abstraction. This system also has a schedule module and can be used to capture information at the time of patient intake. Data on patients is collected and includes patient descriptive demographics and clinical information, including ethnicity, date of birth, zip code of residency, financial responsibility and entitlements and program eligibility. The system is capable of producing reports required for FQHC Look-Alike compliance. In addition, each CHC utilizes a referral center database or data management system. These systems are used to process specialty care referrals from the primary care providers. Specialty care referrals are submitted by fax from the CHCs.

While data is input into QuadraMed Affinity at the CHCs, it is electronically retrieved and analyzed at the Cluster level, with reports prepared and sent to the CHCs. There is Information Services (IS) staff at each CHC with responsibility for overseeing data entry and local data management, and they have counterparts at the Cluster level, who oversee the integration of service data with financial information. Site-specific information can be electronically retired; however aggregated data from all three sites has to be manually developed.

Information for billings is based on data extracted from the QuadraMed Affinity system. At the end of each patient's clinical visit, an encounter form which includes the level of services received is scanned. This is combined with patient demographic information obtained at intake, such as insurance policy information, Medicaid (Medi-Cal in California) number, and self-pay amount received. This information is entered into the QuadraMed Affinity system and is also transferred to separate billing software, which prepares claims for reimbursement.

The QuadraMed Affinity database is also used to assess provider productivity and compliance with revenue and expenditure projections. The management team, based on integrated clinical, utilization and financial information, will closely monitor productivity against system-wide and healthcare industry standards. It additionally will review each CHCs operating budget to determine whether revenue and expenditure projections are in keeping with each site's actual experience. Where income is lower than anticipated or expenses are running high, a corrective action plan will be developed to address possible imbalances in funding.

3. Financial Systems

a. Demonstration that accounting and internal control systems are separate and specific to the proposed FQHC Look-Alike entity, and appropriate to the size and complexity of the organization

LACDHS' accounting system is capable of fully complying with BPHC reporting requirements, and its internal controls are sufficient to assure proper management of funds. The Los Angeles County financial management system is well developed and is efficient in its ability to receive, track and manage funds for its wide-ranging programs and services by maintaining separate sub-accounts by cost center and project. The LACDHS has extensive written financial procedures (319 page fiscal procedures manual) that govern all aspects of accounting and internal controls for the three CHCs. As a method of internal control, the County's Auditor-Controller's Audit Division performs periodic internal control operational and management audits of its departments to help ensure that prescribed procedures are followed and that operations are conducted in an efficient manner.

As a matter of policy, County departments are required to assure that "billings or fees to third parties are prepared and collected as soon as allowable to maximize cash flow (8.1.3 internal controls)." Patients and third parties are billed within 45 days of services having been rendered. The CEO of each CHC is responsible for the oversight of the site's complete fiscal matters, including payables, receivables and billings. These positions will report to the CFO and Executive Director, who will share information with the management team and the co-applicant board at its monthly meetings, as well as within LACDHS system channels to the County Board of Supervisors.

Its accounting and internal controls management has garnered the County recognition by the Government Finance Officers Association of the United States and Canada (GFOA), whereby it was awarded a Certificate of Achievement for Excellence in Financial Reports for its Comprehensive Annual Financial Report for the past 21 fiscal years. To be awarded the Certificate of Achievement, a government unit must publish an easily readable and efficiently organized report, and have its contents conform to program standards. The report must satisfy both generally accepted accounting principles (GAAP) and applicable legal requirements.

b. *Demonstration of accounting system reflecting GAAP, which accurately reflects financial performance, including separation of function appropriates to organizational size to safeguard assets.*

LACDHS is staffed with appropriate skill level positions, as described in the Los Angeles County Code, Titles 5 and 6, Personnel Administration and Salaries, required to perform necessary accounting, fiscal management, and fiscal reporting activities. There are detailed accounting and internal control procedures in place that are documented in the County's financial procedures manual. Furthermore, a Comprehensive Annual Financial Report (CAFR) is prepared each year in accordance with Section 25253 of the Government Code of California by the County's Auditor-Controller. The most recently completed report for the period ended June 30, 2003, like previous reports, was prepared in accordance with Generally Accepted Accounting Principles prescribed for government agencies.

The County employs full-time financial management staff at each CHC and at the Cluster Network level, responsible for billings, receivables, and cash management, either directly or by supporting the LACDHS' Finance Department's centralized billing functions, such as for Medicare and Medi-Cal. They abide by closely monitored practice standards for money management and financial procedures. At each site is a cashier's office, which provides patients with receipts for full or partial payment of services received. Deposits are made daily with assistance of an armed guard security service. Receipts are entered into a log, which is reconciled against bank statements. Third party billings are managed at the Cluster level, though payment and disallowed costs are reported to the CHC so that this information can be either recorded or corrected for resubmission.

The Los Angeles County Auditor-Controller centrally receives checks, which are immediately restrictively endorsed "For Deposit Only, County of Los Angeles." Revenue reports are regularly updated, based in funds received, and distributed to the LACDHS Cluster Networks, which, in turn, update CHCs within their systems. Payments are compared against receivables at the Cluster Network and CHC levels, with differences and exceptions noted. The Cluster level CFO, who does not prepare or sign checks, reconciles receivables.

As invoices are received for payment, they are verified and coded to general ledger accounts at the Cluster level, based on Purchase Orders authorized by the CHCs. The Auditor-Controller, utilizing the system-wide Countywide Accounting and Purchasing System (CAPS), prepares checks for disbursement. Appropriations, on which checks are based, are established according to each year's budgeting process. The CHC's CEO, or his or her designee, approves invoices for payment within operating budget parameters. At the end of each month, a financial report is produced, which is reviewed and presented by the CEO. These are other reports will also go to the Applicant's Executive Director.

c. *Appropriate and regular financial reports that reflect the current financial status of the organization*

For each site, the Cluster CFO prepares monthly financial reports for the most recently completed month and for fiscal year to date. Both items are also compared against budgeted revenues and expenditures, and variances are noted. This information is presented to the CHCs, and is discussed at the Cluster level and CHC management team levels, and will subsequently be reviewed as the Applicant's management team meetings. At these meetings, revenue and expenditure line items will be reviewed based on budget projections, and assumptions that under-girded the budget's initial development will be reconsidered if the financial pace appears to be either accelerated or delayed.

A key component of the monthly review, which includes detailed sub-ledger reports so that revenues and expenditures can be tracked by cost center, is a procedure by which corrective action is taken to address variations in budgeted amounts. Where revenues or expenditures are outside the anticipated pace, once financial information is adjusted based on knowledge of payables and receivables, a corrective action plan is

developed to address the issue. The Executive Director, who will communicate the corrective action to other staff responsible for its implementation, will track compliance with the plan along with the management team.

d. Demonstration that services are available to all regardless of ability to pay, and that revenue from third party payers is maximized

LACDHS' total budget is approximately $2.6 billion. Of this amount, the Medi-Cal (Medicaid) accounts for 24.6% of the revenue, Medicare (2%), private insurance (1.3%), ATP Self-pay With Some Patient Share (5.3%), and ATP Self-pay Without Patient Share (0%).

LACDHS will not turn away any patient on the grounds that he or she cannot pay for his or her care. It, however, tries to receive payment from those who have third party coverage, or the ability to pay. The CHCs financially screen as many of their patients as possible. Low-income persons are offered a variety of reduced fee payment plans, the terms and conditions of which are prescribed in a court order, following a lawsuit over indigent access to care. Changing one of these plans requires court approval. One of these plans, the Outpatient Reduced Cost Simplified Application ("ORSA"), is for persons who certify that they have take home pay of less than 133 1/3 of the federal poverty level (FPL). They have no liability for the cost of their care. The liability of patients with higher incomes is the lesser of actual charges or an amount determined by a schedule, which considers the patients' ability to pay based on available, unencumbered income and assets. Single individuals with an adjusted net monthly income at $1,551 (i.e. 200% of FPL) would have an ORSA liability of $1,906, and are therefore likely to pay the full usual service charge. As is the case of tribal FQHCs receiving Indian Health Services money, the difference between patient liability and the cost of care is paid through non-federal funds. In this case, it is largely County general funds, received through taxes or other revenue sources. Patients can also elect to pay a flat, upfront fee of $50, or to participate in a less generous ability to pay plan.

As described above, cash payment, Medi-Cal, Medicare, and third-party insurance payments are accepted, and assistance with Medi-Cal and Healthy Families applications for patients is available. LACDHS is responsible for collection of delinquent accounts for billable services for individuals as well as third party payers. An aging schedule by third party payers is maintained and updated at 30-day intervals. With regard to individual patients, at least three attempts by mail and telephone over a 45-day period are required before a write-off is considered. If it is determined to be unavoidable, instructions will be sent to the CHC to place a memorandum to this effect in the patient's chart, whereby during his or her next visit, payment will be requested.

4. Assurance that an annual independent financial audit is performed in accordance with Federal audit requirements (OMB Circular A-128, "Audits of State and Local Governments")

LACDHS operations are routinely reviewed by two separate County entities: The first is the I Audit and Compliance Division, an internal departmental control entity which monitors LACDHS operations for both clinical and financial policy and procedural compliance issues; the second entity is the County's Auditor-Controller, which conducts various operational and management audits. LACDHS' finances are included in the CAFR, which is completed each year by the County. The CAFR, audited by an independent accounting firm (KPMG LLP, with its subcontractor Vasquez & Co. LLP, in 2003), contains all of the County's financial statements, which are prepared in accordance with generally accepted accounting principles prescribed for governmental entities. LACDHS also completes Medicare and Medi-Cal cost reports, which are subject to audit by the State and/or Federal agency with program oversight. Furthermore, in accordance with the requirements of the Office of Budget and Management and Budget Circular A-133, as revised, the auditors conduct an annual financial and compliance audit of federal funds received by the County. Every two years, LACDHS managers are required to certify that its internal control policies and procedures and County rules and guidelines are being followed in their respective areas of responsibility.

5. Revenues for the proposed FQHC Look-Alike equal at least 90 percent of expenditures.

According to the FY 2002-03 independent audit, Los Angeles County revenues were $12,534,062,000 and its expenses were $12,235,734,000, showing that that revenues were substantially greater than 90 percent of expenses. The audit is included in the Appendix. LACDHS' current fiscal forecast estimates financial stability

through fiscal year 2006-07, based on a downsized LACDHS system. The County entered into a two-year agreement as part of a 1915(b) Selective Provider Contracting Program waiver with the State and the Federal Centers for Medicare and Medicaid, effective December 2002 through December 2004, which provides funding assistance to stabilize the County's health system, as structured in a downsizing plan approved by the County's Board of Supervisors in June 2002. In addition, on November 5, 2002, voters approved Measure B, which imposes a new property tax, effective in fiscal year 2003-04, to support emergency and trauma services, which is providing additional stabilization assistance to LACDHS.

6. - 7. Demonstration that applicant is a Medicaid and Medicare provider

Each LACDHS CHC is enrolled as a Medi-Cal provider and has a separate Medi-Cal (Medicaid) provider number. LACDHS is also enrolled as a physician's group in Medicare. Each site has its own distinct number, receiving about two percent of income from Medicare in 2003. See Table 4.

Table 4: Medi-Cal and Medicare Numbers

CHC Name	Medi-Cal Number	Medicare Number
H. Claude Hudson Comprehensive Health Center	FHC41124F	W8098
Hubert H. Humphrey Comprehensive Health Center	FHC11866F	W809C
Edward R. Roybal Comprehensive Health Center	ZZW41126F	W809A

Each CHC completes Medi-Cal managed care health plan reports, which are audited by the California Department of Managed Health Care. As described above, LACDHS receives a portion of its income from Medi-Cal reimbursements (nearly 25% in 2003).

SECTION D: GOVERNANCE

1. Evidence of public status

The County of Los Angeles is a political subdivision of the State of California. (See Cal. Gov. Code Sections 23000, and 23012). Organized in accordance with state law and the Los Angeles County Charter, it is charged with governmental powers. The County is governed by a five member, publicly elected Board of Supervisors ("BoS"), which has both legislative and executive powers. A copy of the Table of Contents for the Los Angeles County Charter is presented in the Appendix.

2. Applicant must demonstrate that:

a. It has a governing Board that is comprised of at least 9 and no more than 25 members

The governance of the CHC will be shared between the two co-applicants designated in this document. The BoS will act as one of the co-applicants, because it has responsibility for LACDHS' services and programs. As discussed in the Ordinance authorizing a co-applicant structure, and as allowed by the Public Health Services Act, the BoS retains policy-making authority over finance and personnel matters. The other functions of the governing body will be provided by the second co-applicant, the Community Health Services Board ("CHCB"). The CHCB is a commission, which is in the process of being created by the BoS, and which will be empowered by ordinance to provide the leadership functions required of the governing board of a publicly operated FQHC. The Ordinance (attached) creating the CHCB has had its first reading by the BoS and should be adopted by December 7, 2004. It will take approximately oner month to finalize nominations and formally appoint the members after adoption. The CHCB will hold its first meeting shortly thereafter. By the time FQHC Look-Alike designation is received, the CHCB will be operational. It will by ordinance have 11 members.

b. At least 51 percent of the governing board's members must be active users of the FQHC Look-Alike's services and must reasonably represent the individual served . . .

Under the terms of the enabling Ordinance, no less than six members, or 54% of the member of the CHCB, must be current users of the CHCs. To be eligible to serve, each User is required to have been a patient for at least six months, and to live the geographic area served by one of the CHCs. The ordinance provides that together, the User members must represent the individuals being served in terms of demographic

qualities such as gender, and race. A User member may not be employed, or a near family member of someone employed, at the CHC. Seven individuals have agreed to be nominated to serve as User members. All are residents of the geographic areas served by one of the CHCs: They are:

Hudson	Humphrey	Roybal
Marion Benson	Gabrielle Hernandez	Chuck Krall
Shelea Thomas	Larry Watson	Evangelina Hernandez
	Odell Walker	

Once the CHCB is initially seated, a Nominations Committee required by the bylaws will manage replacement of User and Non-Users. Members may serve up to three consecutive two-year terms. There are four women and three men that are currently Users. Two are Latina, four are African-American, and one white.

The Ordinance additionally provides for five Non-User members on the CHCB, and four will be initially seated. They are persons that live or work in the CHC service areas, and who possess expertise in community affairs, finance and banking, legal matters, government, human service programs, commercial or business concerns, or who otherwise possess skills or expertise that will likely be beneficial to the CHCB. Like User members, they may not be employed, or a close family member of someone employed at the CHCs.

c. No more than one-half of the Non-Users may be health professionals

By ordinance, no more than two of the Non-User members may receive more than 10 percent of their annual income from the health care industry. With regard to the current nominees for the CHCB, none of the members are employed or receive compensation from the healthcare industry.

3. Governing Board Authority

The CHCB will meet the BPHC requirements that pertain to governing authority, with the exception of finance and human resources management. An Ordinance authorizing the creation of the CHCB and delineating the co-applicant board's roles and responsibilities is attached. As expressed in the Ordinance, the BoS is committed to an inclusive process that allows the CHCB to (a) approve the selection, and removal of the Executive Director; (b) create and approve policies identifying the services to be delivered, service delivery locations, and the hours during which services are to be provided; (c) approve the budget, which will also require the approval of the BoS, and to develop financial priorities and strategies for major resource utilization within the appropriations made to it; (d) arrange for an evaluation, conducted at least once each year, that assesses the effectiveness of the CHCs in making services available and accessible to service area residents (e.g., utilization patterns, productivity, patient satisfaction and achievement of program objectives); (e) develop procedures for hearing and resolving patient grievances; (f) assure compliance with federal, state and local law, and (g) approve other policies necessary and proper for the efficient and effective operation of the CHCs.

With regard to the selection and removal of the CHCB's Executive Director, who will be an employee of LACDHS, the process is as follows: (a) In accordance with LACDHS personnel policies, suitable candidates meeting the civil service requirements for FQHC Executive Director position will be submitted to the CHCB; (b) the CHCB will select among the candidates its choice for Executive Director, who shall be appointed by the Director of LACDHS; and (c) input will be sought from the CHCB at the time of the CHC Executive Director's evaluation, as to his or her performance and whether he or she should be retained or removed.

The County Ordinance, which creates the CHCB, provides a written agreement between the public agency and the co-applicant board, identifying the authorities, duties and responsibilities of each entity. The Ordinance provides that it is subject to the conflict of interest rules found in state law. These laws similarly govern the BoS. A conflict of interest is defined, among other things, as a transaction on behalf of the CHC in which a CHCB member has a direct or indirect economic or financial interest.

In situations when conflict of interest exists for a CHCB member, the member shall declare and explain the conflict of interest. No member of the CHCB shall participate in the discussion or vote in a situation where a conflict of interest exists for that member. Additionally, any member may challenge any other member(s) as

having conflicts of interest. By roll call vote, properly recorded, the status of the challenged member(s) shall be determined prior to consideration of the proposed project or issue.

The organization is not a hospital outpatient department or part of a hospital outpatient department, nor is it certified by Medicare or Medicaid as a hospital.

AGN. NO.

MOTION BY SUPERVISORS GLORIA MOLINA AND YVONNE BRATHWAITE BURKE

November 30, 2005

AMENDMENT TO ITEM NO. 32

Before us today is an ordinance to create a Community Health Center Board (CHCB) for the governance of our free-standing outpatient centers as well as a recommendation from the Department of Health Services to submit an application for Federally Qualified Health Center (FQHC) look-alike status for three of the County's Comprehensive Health Centers (CHCs).

The implementation of the CHCB ordinance, along with the approval by the Federal Health Resources and Services Administration (HRSA) of the application for FQHC look-alike status, will fundamentally change the way the CHCs are governed.

Because the implementation of the CHCB is necessary for approval of the County's FQHC look-alike application, I support both the approval of the ordinance and the delegation of authority to the Director of Health Services to submit the FQHC look-alike application. I support moving forward because FQHC look-alike status for our CHCs would backfill a portion of the forecasted loss of cost-based reimbursement under

MOTION

Molina _____

Burke _____

Yaroslavsky _____

Antonovich _____

Knabe _____

our 1115 Waiver beginning on July 1, 2005.

I support more community involvement and oversight of our health system. However, I have concerns that implementation of the CHCB makes more complex the responsibilities and reporting relationships involved in the operation of our CHCs. I further understand that HRSA will review the application for FQHC look-alike status, and that based on this review, changes to the ordinance and the application may be required. Changes to the ordinance must be made by the Board.

I THEREFORE MOVE THAT the Director of Health Services report back with a detailed analysis of the responsibilities of the CHCB, the Department and the Board of Supervisors under the proposed ordinance and application.

I FURTHER MOVE THAT the Director report to our Board any changes to the application required by HRSA.

BJ/jp